

110TH CONGRESS  
1ST SESSION

# H. R. 2723

To amend title XIX of the Social Security Act to establish programs to improve the quality, performance, and delivery of pediatric care.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2007

Ms. DEGETTE (for herself and Mrs. BONO) introduced the following bill;  
which was referred to the Committee on Energy and Commerce

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## A BILL

To amend title XIX of the Social Security Act to establish programs to improve the quality, performance, and delivery of pediatric care.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Children’s Health Care  
5 Quality Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) Children have unique health care needs and  
9 experiences, which are often not comparable to adult

1 health care needs and experience, and they require  
2 specialized medical expertise.

3 (2) The delivery of health care is increasingly  
4 being transformed by the use of quality and per-  
5 formance measures by consumers, insurers, and pro-  
6 viders.

7 (3) A majority of public and private sector in-  
8 vestments in the development of quality and per-  
9 formance measures have focused on the experience  
10 of adults, particularly the elderly.

11 (4) As a result, the supply of approved and  
12 demonstrated quality measures for children's health  
13 care, especially pediatric inpatient care, is limited.

14 (5) Growing numbers of insurers, as well as the  
15 Medicaid program and the State Children's Health  
16 Insurance Program (SCHIP), are using publicly  
17 available measures, which means they have only lim-  
18 ited options for measures of pediatric care.

19 (6) A 2006 national survey found that most  
20 State Medicaid programs and SCHIP use largely  
21 primary care measures for children, which have been  
22 developed and selected as part of the measures  
23 States use to fulfill requirements for evaluating  
24 health plan performance, not provider performance,  
25 under the Medicaid program.

(7) The Centers for Medicare & Medicaid Services (CMS), through its administration of the Medicaid program and SCHIP, is the nation's largest payer of health care for children, covering 1 in every 3 children and more than half of all infants in the Nation. However, CMS lacks explicit authority and has not committed resources to invest in the development of quality and performance measures for children commensurate to the magnitude of pediatric care the agency pays for.

(8) Most States do not have a large enough population of children upon which to develop appropriate measures, particularly for the treatment of serious and complex conditions that only small numbers of children in any one state may experience.

(9) Quality and performance measures should be evidence-based, approved for use through a recognized national consensus development process, and appropriate for public reporting, such as evidence-based hospital measures endorsed by the National Quality Forum and recommended for public reporting by the Hospital Quality Alliance on the Hospital Compare tool on the website of the Department of Health and Human Services.

(10) The Federal Government should have both the legal authority and financial resources to invest in the private sector's development and demonstration of measures of quality and performance of health care for children, including pediatric inpatient care. The Federal Government should utilize such authority and resources to increase the availability of measures for children for use by public and private health coverage programs.

**TITLE I—ADVANCING NEW  
QUALITY AND PERFORMANCE  
MEASURES FOR CHILDREN'S  
HEALTH CARE**

**SEC. 101. PEDIATRIC QUALITY AND PERFORMANCE MEASURES PROGRAM.**

Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is amended—

(1) by redesignating section 1939 as section 1941; and

(2) by inserting after section 1938 the following:

“PEDIATRIC QUALITY AND PERFORMANCE MEASURES  
PROGRAM

“SEC. 1939. (a) ESTABLISHMENT.—The Secretary, acting through the Administrator of the Centers for Medicare & Medicaid Services and in consultation with the Di-

1 rector of the Agency for Healthcare Research and Quality,  
2 shall establish a program to encourage and support the  
3 development of new and emerging quality and perform-  
4 ance measures for providers of pediatric care through the  
5 activities described in subsection (c). In establishing the  
6 program, gaps in existing evidence-based measures and  
7 priority areas for advancement shall be identified.

8 “(b) PURPOSE.—The purpose of the program is to  
9 ensure that—

10 “(1) evidence-based pediatric quality and per-  
11 formance measures are developed; and

12 “(2) such measures are available for States,  
13 other purchasers of pediatric health care services,  
14 health care providers, and consumers to use.

15 “(c) PROGRAM ACTIVITIES.—

16 “(1) IDENTIFYING QUALITY AND PERFORMANCE  
17 MEASURES FOR PROVIDERS OF PEDIATRIC SERVICES  
18 AND OPPORTUNITIES FOR NEW MEASURES.—Not  
19 later than 3 months after the date of enactment of  
20 this section, the Secretary shall identify quality and  
21 performance measures for providers of pediatric  
22 services and opportunities for the development of  
23 new measures, taking into consideration existing evi-  
24 dence-based measures. In conducting this review, the

1 Secretary shall convene and consult with representa-  
2 tives of—

3 “(A) States;

4 “(B) pediatric hospitals, pediatricians, and  
5 other pediatric health professionals;

6 “(C) national organizations representing—

7 “(i) consumers of children’s health  
8 care; and

9 “(ii) purchasers of children’s health  
10 care;

11 “(D) experts in pediatric quality and per-  
12 formance measurement; and

13 “(E) a voluntary consensus standards set-  
14 ting organization and other organizations in-  
15 volved in the advancement of consensus on evi-  
16 dence-based measures of health care.

17 “(2) DEVELOPING, VALIDATING, AND TESTING  
18 NEW MEASURES.—The Secretary shall award grants  
19 or contracts to eligible entities (as defined in sub-  
20 section (d)(1)) for the development, validation, and  
21 testing of new and emerging quality and perform-  
22 ance measures for providers of pediatric services.  
23 Such measures shall—

24 “(A) provide consumers and purchasers  
25 (including States and beneficiaries under the



1 program under this title and title XXI) with in-  
2 formation about provider performance and qual-  
3 ity; and

4 “(B) assist health care providers in im-  
5 proving the quality of the items and services  
6 they provide and their performance with respect  
7 to the provision of such items and services.

8 “(3) ACHIEVING CONSENSUS ON EVIDENCE-  
9 BASED MEASURES.—The Secretary shall award  
10 grants or contracts to eligible consensus entities (as  
11 defined in subsection (d)(2)) for the development of  
12 consensus on evidence-based measures for pediatric  
13 care that have broad acceptability in the health care  
14 industry.

15 “(d) ELIGIBLE ENTITIES.—

16 “(1) DEVELOPMENT, VALIDATION, AND TEST-  
17 ING.—For purposes of paragraph (2) of subsection  
18 (c), the term ‘eligible entity’ means—

19 “(A) organizations with demonstrated ex-  
20 pertise and capacity in the development and  
21 evaluation of pediatric quality and performance  
22 measures;

23 “(B) an organization or association of  
24 health care providers with demonstrated experi-  
25 ence in working with accrediting organizations

1 in developing pediatric quality and performance  
2 measures; and

3 “(C) a collaboration of national pediatric  
4 organizations working to improve pediatric  
5 quality and performance measures.

6 “(2) ACHIEVEMENT OF CONSENSUS.—For pur-  
7 poses of paragraph (3) of such subsection, the term  
8 ‘eligible consensus entity’ means an organization, in-  
9 cluding a voluntary consensus standards setting or-  
10 ganization, involved in the advancement of consensus  
11 on evidence-based measures of health care.

12 “(e) ONGOING AUTHORITY TO UPDATE AND ADJUST  
13 PEDIATRIC MEASURES.—The Secretary may update and  
14 adjust measures developed and advanced under the pro-  
15 gram under this section in accordance with—

16 “(1) any changes that a voluntary consensus  
17 standards setting organization determines should be  
18 made with respect to such measures; or

19 “(2) new evidence indicating the need for  
20 changes with respect to such measures.

21 “(f) ADDITION OF PEDIATRIC CONSUMER ASSESS-  
22 MENT MEASURES TO CAHPS HOSPITAL SURVEY CON-  
23 DUCTED BY AHRQ.—The Director of the Agency for  
24 Healthcare Research and Quality shall ensure that con-  
25 sumer assessment measures for hospital services for chil-



1 dren are added to the Consumer Assessment of Healthcare  
 2 Providers and Systems (CAHPS) Hospital survey con-  
 3 ducted by such Agency.

4 “(g) APPROPRIATION.—There are authorized to be  
 5 appropriated and there are appropriated, for the purpose  
 6 of carrying out this section, \$10,000,000, for each of fiscal  
 7 years 2008 through 2012, to remain available until ex-  
 8 pended.”.

## 9 **TITLE II—STATE TRANS-** 10 **FORMATION GRANTS FOR PE-** 11 **DIATRIC CARE**

### 12 **SEC. 201. GRANTS TO STATES FOR DEMONSTRATION** 13 **PROJECTS TRANSFORMING DELIVERY OF PE-** 14 **DIATRIC CARE.**

15 Title XIX of the Social Security Act (42 U.S.C. 1396  
 16 et seq.), as amended by section 101, is amended by insert-  
 17 ing after section 1939 the following:

18 “GRANTS TO STATE FOR DEMONSTRATION PROJECTS  
 19 TRANSFORMING DELIVERY OF PEDIATRIC CARE

20 “SEC. 1940. (a) ESTABLISHMENT.—The Secretary,  
 21 acting through the Administrator of the Centers for Medi-  
 22 care & Medicaid Services, shall establish demonstration  
 23 projects, including demonstration projects in each of the  
 24 4 categories described in subsection (d), to award grants  
 25 to States to improve the delivery of health care services  
 26 provided to children under this title and title XXI.

1       “(b) DURATION.—The demonstration projects shall  
2 be conducted for a period of 4 years.

3       “(c) ELIGIBILITY.—A State shall not be eligible to  
4 receive a grant under this section unless the State has  
5 demonstrated experience or commitment to the concept of  
6 transformation in the delivery of pediatric care.

7       “(d) CATEGORIES OF PROJECTS.—The following cat-  
8 egories of projects are described in this subsection:

9               “(1) HEALTH INFORMATION TECHNOLOGY SYS-  
10 TEMS.—Projects for developing health information  
11 technology systems, including technology acquisition,  
12 electronic health record development, data standards  
13 development, and software development, for pediatric  
14 hospital and physician services and other commu-  
15 nity-based services; implementing model systems;  
16 and evaluating their impact on the quality, safety,  
17 and costs of care.

18               “(2) DISEASE MANAGEMENT.—Projects for pro-  
19 viding provider-based care disease management for  
20 children with chronic conditions (including physical,  
21 developmental, behavioral, and psychological condi-  
22 tions), demonstrating the effectiveness of provider-  
23 based management models in promoting better care,  
24 reducing adverse health outcomes, and preventing  
25 avoidable hospitalizations.

1           “(3) EVIDENCE-BASED QUALITY IMPROVE-  
2           MENTS.—Projects for implementing evidence-based  
3           approaches to improving efficiency, safety, and effec-  
4           tiveness in the delivery of hospital care for children  
5           across hospital services, evaluating the translation of  
6           successful models of such evidence-based approaches  
7           to other institutions, and the impact of such changes  
8           on the quality, safety, and costs of care.

9           “(4) QUALITY AND PERFORMANCE MEASURES  
10          FOR PROVIDERS OF CHILDREN’S HEALTH CARE  
11          SERVICES.—Projects to pilot test evidence-based pe-  
12          diatric quality and performance measures for inpa-  
13          tient hospital services, physician services, or services  
14          of other health professionals, determining the reli-  
15          ability, feasibility, and validity of such measures,  
16          and evaluating their potential impact on improving  
17          the quality and delivery of children’s health care. To  
18          the extent feasible, such measures shall have been  
19          approved by consensus standards setting organiza-  
20          tions.

21          “(e) UNIFORM METRICS.—The Secretary shall estab-  
22          lish uniform metrics (adjusted, as appropriate, for patient  
23          acuity), collect data, and conduct evaluations with respect  
24          to each demonstration project category described in sub-  
25          section (d). In establishing such metrics, collecting such

1 data, and conducting such evaluations, the Secretary shall  
2 consult with—

3 “(1) experts in each such demonstration project  
4 category;

5 “(2) participating States;

6 “(3) national pediatric provider organizations;

7 “(4) health care consumers; and

8 “(5) such other entities or individuals with rel-  
9 evant expertise as the Secretary determines appro-  
10 priate.

11 “(f) EVALUATION AND REPORT.—The Secretary  
12 shall evaluate the demonstration projects conducted under  
13 this section and submit a report to Congress not later than  
14 3 months before the completion of each demonstration  
15 project that includes the findings of the evaluation and  
16 recommendations with respect to—

17 “(1) expansion of the demonstration project to  
18 additional States and sites; and

19 “(2) the broader implementation of approaches  
20 identified as being successful in advancing quality  
21 and performance in the delivery of medical assist-  
22 ance provided to children under this title and title  
23 XXI.

1       “(g) WAIVER.—The Secretary may waive the require-  
2 ments of this title and title XXI to the extent necessary  
3 to carry out the demonstration projects under this section.

4       “(h) AMOUNTS PAID TO A STATE.—Amounts paid to  
5 a State under this section—

6           “(1) shall be in addition to Federal payments  
7 made to the State under section 1903(a);

8           “(2) shall not be used for the State share of  
9 any expenditures claimed for payment under such  
10 section; and

11           “(3) shall be used only for expenditures of the  
12 State for participating in the demonstration  
13 projects, or for expenditures of providers in partici-  
14 pating in the demonstration projects, including—

15           “(A) administrative costs of States and  
16 participating providers (such as costs associated  
17 with the design and evaluation of, and data col-  
18 lection under, the demonstration projects); and

19           “(B) such other expenditures that are not  
20 otherwise eligible for reimbursement under this  
21 title or title XXI as the Secretary may deter-  
22 mine appropriate.

23       “(i) APPROPRIATION.—There are authorized to be  
24 appropriated and there are appropriated, for the purpose  
25 of carrying out this section, to remain available until ex-

1    pending \$10,000,000 for each of fiscal years 2008 through  
2    2012.”.

3    **SEC. 202. REPORT BY THE COMPTROLLER GENERAL ON DE-**  
4                   **SIGN AND IMPLEMENTATION OF A DEM-**  
5                   **ONSTRATION PROJECT EVALUATING EXIST-**  
6                   **ING QUALITY AND PERFORMANCE MEASURES**  
7                   **FOR CHILDREN’S INPATIENT HOSPITAL**  
8                   **SERVICES.**

9           (a) IN GENERAL.—Not later than 12 months after  
10   the date of enactment of this Act, the Comptroller General  
11   of the United States (in this section referred to as the  
12   “Comptroller General”) shall submit a report to Congress  
13   containing recommendations for the design and implemen-  
14   tation of a demonstration project to evaluate the suit-  
15   ability of existing quality and performance measures for  
16   children’s inpatient hospital services for public reporting,  
17   differentiating quality, identifying best practices, and pro-  
18   viding a basis for payment rewards.

19           (b) DEVELOPMENT OF RECOMMENDATIONS.—In de-  
20   veloping the recommendations submitted under subsection  
21   (a), the Comptroller General shall accomplish the fol-  
22   lowing:

23                   (1) Consider which agency within the Depart-  
24               ment of Health and Human Services should have



1 primary responsibility and oversight for such a dem-  
2 onstration project.

3 (2) Determine a sufficient number of partici-  
4 pating hospitals and volume of children's cases,  
5 given existing measures that might be chosen for  
6 evaluation under such a demonstration project.

7 (3) Determine the number of States and variety  
8 of geographic locations that may be required to con-  
9 duct such a demonstration project.

10 (4) Describe alternatives for administering and  
11 directing funding for such a demonstration project,  
12 taking into consideration the potential involvement  
13 of multiple States, State plans under title XIX of  
14 the Social Security Act (42 U.S.C. 1396 et seq.),  
15 and State child health plans under title XXI of such  
16 Act (42 U.S.C. 1397aa et seq.). Such description  
17 shall be included in the recommendations submitted  
18 under subsection (a).

19 (5) Determine requirements for consistency in  
20 measures, metrics, and risk adjustment for such a  
21 demonstration project, across hospitals and across  
22 State lines.

23 (6) Consider the infrastructure requirements in-  
24 volved in public reporting of quality and perform-  
25 ance measures for children's inpatient hospital serv-

1       ices at the national and State levels, including the  
 2       requirements involved with respect to maintaining  
 3       such measures and data.

4               (7) Estimate the cost of undertaking such a  
 5       demonstration project.

6       (c) SUGGESTION OF EXISTING MEASURES FOR EVAL-  
 7       UATION UNDER THE DEMONSTRATION PROJECT.—

8               (1) IN GENERAL.—The report submitted under  
 9       subsection (a) shall include suggestions for existing  
 10       measures to be evaluated under the demonstration  
 11       project recommended in such report, including, to  
 12       the extent feasible, measures with respect to—

13                       (A) high volume pediatric inpatient condi-  
 14       tions;

15                       (B) high cost pediatric inpatient services;

16                       (C) pediatric conditions with predicted  
 17       high morbidities; and

18                       (D) pediatric cases at high risk of patient  
 19       safety failures.

20               (2) SUGGESTED MEASURES.—The measures  
 21       suggested under paragraph (1) shall be measures  
 22       representing process, structure, patient outcomes, or  
 23       patient and family experience—

24                       (A) that are evidence-based;

25                       (B) that are feasible to collect and report;

1 (C) that include a mechanism for risk ad-  
2 justment when necessary; and

3 (D) for which there is a consensus within  
4 the pediatric hospital community or a consensus  
5 determined by a voluntary consensus standards  
6 setting organization involved in the advance-  
7 ment of evidence-based measures of health care.

8 (3) CONSULTATION.—In determining the exist-  
9 ing measures suggested under paragraph (1), the  
10 Comptroller General shall consult with representa-  
11 tives of the following:

12 (A) National associations of pediatric hos-  
13 pitals and pediatric health professionals.

14 (B) Experts in pediatric quality and per-  
15 formance measurement.

16 (C) Voluntary consensus standards setting  
17 organizations and other organizations involved  
18 in the advancement of consensus on evidence-  
19 based measures.

20 (D) The Department of Health and  
21 Human Services, States, and other purchasers  
22 of health care items and services.







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